

ANNUAL FINANCIAL STATEMENTS



ST MICHAEL'S ANGLICAN CHURCH

BRYANSTON

31 DECEMBER 2016

ST MICHAEL'S CHURCH - BRYANSTON

**ANNUAL FINANCIAL STATEMENTS
31 DECEMBER 2016**

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The annual financial statements set out on pages 2 to 6 were approved by the church council on 21 February 2017 and are signed on its behalf by

.....
Rector
The Revd Godfrey Henwood

.....
Churchwarden
Cuz Grindley

.....
Churchwarden
Joel Dikgole

ANDREW WILLIAM SLAWSON

Member of the South African Institute of Chartered Accountants
Membership number 03343382

103 Seder Street
Suideroord
2091

Report of the Independent Verifier
to the Members of the Parish of St Michaels, Bryanston

I have reviewed the attached annual financial statements for the year ended 31 December 2016, which were prepared on behalf of the Council by the Treasurer/Finance Portfolio. From my review I can confirm that these annual financial statements are in agreement with the accounting records of the parish and that, in my opinion, adequate records have been maintained. It is not possible to verify income before it is recorded in the records as cash received.

Opinion

Subject to the above comments, in my opinion, the attached Balance Sheet at 31 December 2016 fairly presents the financial position of the Parish at that date, and the Income Statement fairly presents the results of its activities for the year ended on that date.



AW Slawson
Chartered Accountant (SA)
Independent Verifier

21 February 2017

ST MICHAEL'S CHURCH, BRYANSTON
INCOME STATEMENT for the year ended 31 December 2016

	Notes	2016 R	2015 R
INCOME			
Dedicated Giving		3 791 296	3 694 132
Loose Plate Collections		636 086	635 069
Interest		85 993	101 611
Donations & Sundry Revenue		588 265	505 818
Fund Income	2	882 089	1 277 646
Christmas Offering	3	45 000	45 000
TOTAL INCOME		<u>6 028 730</u>	<u>6 259 276</u>
NON PARISH EXPENDITURE			
Diocesan Contribution Commitment		890 916	890 520
Diocesan Contribution Extra Offering		192 200	155 000
Clergy Widows	3	45 000	45 000
		<u>1 128 116</u>	<u>1 090 520</u>
PARISH EXPENDITURE			
Church Expenses		45 947	51 801
Clergy Allowances		332 961	311 172
Clergy Stipends		587 481	714 993
Communication		2 800	3 028
Dedicated Giving Expenses		1 799	1 663
Donations in lieu of Audit Fee		4 000	2 750
Fund Expenditure	2	721 683	334 174
Ground Staff Salaries		305 122	287 956
Hospitality / Pastoral Care		15 602	15 865
Insurance		50 120	50 084
Junior Church		5 828	6 142
Light & Water		150 401	109 122
Maintenance / Property / Garden		360 261	283 933
Motor Vehicle Expenses		49 662	55 450
Payroll Fees		33 497	-
Postage		779	493
Printing, Stationery & Computers		131 204	128 653
Security		321 250	309 427
Social Responsibility & donations	4	297 707	274 253
Growing In Faith Together & Evangelism		19 341	15 316
Staff Salaries		914 614	864 778
Sundry Expenses		53 722	48 216
Telephone		80 114	77 398
Youth Group		10 402	14 353
		<u>4 496 297</u>	<u>3 961 018</u>
TOTAL EXPENDITURE		<u>5 624 413</u>	<u>5 051 538</u>
Surplus before transfer to special funds		<u>404 317</u>	<u>1 207 738</u>

ST MICHAEL'S CHURCH, BRYANSTON
INCOME STATEMENT INCORPORATING TRANSFERS
FROM SPECIAL FUNDS for the year ended 31 December 2016

	2016	2015
	R	R
General Funds		
Income	6 028 730	6 259 276
Expenditure	<u>5 624 413</u>	<u>5 051 538</u>
Surplus before transfer to special funds	404 317	1 207 738
Net amount received by the Special funds per Note 2	(160 406)	(943 472)
Transfer (To) / From Special Funds		
Transfer to Major Maintenance	(192 200)	
Transfer to Other for Hymn Books		(55 000)
Transfer to Motor Vehicle Replacement reserve	(36 000)	(36 000)
Transfer to Church Development		(155 000)
Transfer to Fixed Asset	<u>(15 000)</u>	<u>(15 000)</u>
Surplus for the year after transfers	<u><u>711</u></u>	<u><u>3 266</u></u>
Special Funds (refer to Note 2)		
Income	882 089	1 277 646
Expenditure	(721 683)	(334 174)
Surplus before transfer from General Funds	<u>160 406</u>	<u>943 472</u>
Transfer from general funds	243 200	261 000
Surplus for the year after transfer	<u><u>403 606</u></u>	<u><u>1 204 472</u></u>
Special Funds Opening Balance	2	7 236 957
Special Funds Closing Balance	2	2 585 089

ST MICHAEL'S CHURCH, BRYANSTON
BALANCE SHEET for the year ended 31 December 2016

	Notes	2016 R	2015 R
Accumulated Funds			
Balance as at 1 January		2 859 401	1 373 957
Surplus for the year		404 317	1 207 738
Transfer of Profit of Sale of Holy Land			1 482 178
Transfer of Development Costs		4 777 768	
Transfer to Special Funds		<u>(403 606)</u>	<u>(1 204 472)</u>
Balance at 31 December		7 637 880	2 859 401
Special Funds	2	2 585 089	6 959 251
TOTAL FUNDS		<u>10 222 968</u>	<u>9 818 652</u>
Liabilities			
Retirement Trust		3 692	17 833
Christmas Offering	3	19 679	8 794
Sundry Creditors	5	<u>429 667</u>	<u>341 248</u>
		<u>453 038</u>	<u>367 875</u>
		<u>10 676 007</u>	<u>10 186 527</u>
REPRESENTED BY:			
Fixed Assets	6	<u>7 615 765</u>	<u>2 837 997</u>
Current Assets			
Debtors and prepayments		16 843	20 380
Cash at bank, on deposit and in transit		<u>3 043 398</u>	<u>7 328 150</u>
		<u>3 060 242</u>	<u>7 348 530</u>
		<u>10 676 007</u>	<u>10 186 527</u>

ST MICHAEL'S CHURCH, BRYANSTON
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
For the year ended 31 December 2016

1. ACCOUNTING POLICIES

Income is recognised in the income statement when the money has been received. Donations of assets are recognised in the income statement when the underlying asset is received.

Income designated by the Givers as being for the ensuing year is deferred and only recognised at that time.

Donations received for specific projects are recognised in the income statement and then either raised as an expense, if due to a third party, or transferred to a special fund, if for the use of the parish.

Expenditure is recognised in the income statement when the service has been rendered or the expenditure has been committed.

Fixed assets, with the exception of land and buildings, are written off in the income statement in the period in which they are acquired.

2. SCHEDULE OF MOVEMENTS IN FUNDS

	2015	Income	Expenditure	Transfers	Development Transfers	2016
Bequests	405 557	20 000			(249 911)	175 646
*Building Fund	1 762 859				(1 762 859)	0
*Building Cost to Property Sold	0					0
Car replacement reserve	259 721		(153 800)	36 000		141 921
Choir	7 819					7 819
Choir Robes	380		(380)			0
Church Development	2 314 998	450 000			(2 764 998)	0
Fellowship	66 748	52 600	(78 147)			41 201
Fford Trust Bequest	1 439 365	107 768				1 547 133
Fixed Asset Purchase	24 539		(18 455)	15 000		21 084
Fund Raising & Appeals	56 439	53 597	(51 637)			58 399
Garden of Remembrance	15 570	4 300	(8 820)			11 050
Max's Creche	13 014	10 644	(11 792)			11 866
Ministry Development	98 081		(1 300)			96 781
Mothers Union	20 940	43 880	(37 333)			27 487
Other	91 425	51 038	(60 321)			82 142
Rental / Interest	200 757	51 321	(252 078)			0
Social Outreach Funds	4 000		(4 000)			0
Theological Education	107 039	36 941	(43 621)			100 360
Major Maintenance	70 000			192 200		262 200
	6 959 251	882 089	(721 683)	243 200	(4 777 768)	2 585 089

*Sale of houses gives a nett gain of R3 245 037

3. CHRISTMAS OFFERING

The Christmas offering represents the special Christmas collection which is distributed to clergy widows and retired clergy within the Diocese. A total of R28 885 was collected through the appeal. R16 115 was transferred from Balance Sheet Christmas offering. A total of R45 000 was paid to the Diocesan Welfare Committee for distribution to the widows and retired clergy.

4. SOCIAL RESPONSIBILITY

This includes donations to:

	2016	2015
World AIDS day	5 800	5 500

5. SUNDRY CREDITORS

Comprises:

Diocesan contribution	192 200	155 000
Other	44 732	48 163
Committed Expenses	141 599	69 000
Deferred Income	74 507	69 086
	453 038	341 249

ST MICHAEL'S CHURCH, BRYANSTON
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2016

6. FIXED ASSETS	2016	2015
	R	R
Land and buildings at cost:		
Church hall and surrounding improvements	496 084	496 084
Rectory	60 942	60 942
2 priest residence & parking lot	6 455 359	1 677 591
Assistant priest residence	150 632	150 632
Flat	28 456	28 456
Electrical sub-station	84 497	84 497
Chapel	339 795	339 795
	<u>7 615 765</u>	<u>2 837 997</u>
Motor vehicles:		
Cost	416 274	416 274
Accumulated depreciation	<u>(416 274)</u>	<u>(416 274)</u>
	<u>-</u>	<u>-</u>
Office equipment:		
Cost	115 432	115 432
Depreciation	<u>(115 432)</u>	<u>(115 432)</u>
	<u>-</u>	<u>-</u>
Furniture and equipment:		
Cost	198 722	198 722
Depreciation	<u>(198 722)</u>	<u>(198 722)</u>
	<u>-</u>	<u>-</u>
TOTAL FIXED ASSETS	<u>7 615 765</u>	<u>2 837 997</u>

The total insured value of the assets is R39 845 430

Notes:

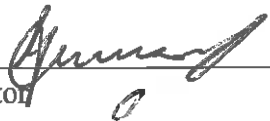
- a. The fixed property is registered in the name of the Johannesburg Diocesan Trustees.
- b. Land and buildings are not depreciated.
- c. Office equipment, motor vehicles and furniture and equipment have been written down to zero.
- d. The fixed asset values represent the historic cost of assets purchased and does not include fixed asset additions in the current or prior financial period. The movements during this period are presented in the income statement in line with the policy to fully expense all fixed asset additions in the period in which the expenditure is incurred.

ST MICHAEL'S RETIREMENT FUND

**ANNUAL FINANCIAL STATEMENTS
for the year ended 31 December 2016**

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The annual financial statements set out on pages 2 to 4 were approved by the Parish Council on 21 February 2017 and are signed on their behalf by:



Rector



Fund Member

Fund Member

ST MICHAEL'S RETIREMENT FUND

INCOME STATEMENT for the year ended 31 December 2016

	2016	2015 R
INCOME		
Interest on funds invested	21 625	16 742
Dividends received	6 144	4 433
Donations received	-	-
Write up value of investments	30 003	144 999
	<hr/>	<hr/>
	57 772	166 174
EXPENSES	6 042	6 609
Bank charges	-	2 238
Management Fees	5 187	3 718
Dividends tax	855	653
	<hr/>	<hr/>
SURPLUS for the year before grants	51 730	159 565
Grants to beneficiaries	48 000	69 450
	<hr/>	<hr/>
SURPLUS/(DEFICIT) for the year	3 730	90 115
SURPLUS brought forward	204 370	114 364
SURPLUS carried forward	<u>208 100</u>	<u>204 479</u>

ST MICHAEL'S RETIREMENT FUND

**BALANCE SHEET
at 31 December 2016**

	2016	2015 R
TRUST FUND		
Balance transferred from St Michael's Trust Fund	1 387 695	1 387 695
Surplus per income statement	208 100	204 479
	<hr/>	<hr/>
	1 595 795	1 592 174
	<hr/> <hr/>	<hr/> <hr/>
Represented by:		
INVESTMENTS		
Unit Trusts at market value	1 589 778	1 573 048
CURRENT ASSETS		
Cash and cash equivalent	-	1 618
Account receivable	6 017	17 833
CURRENT LIABILITIES		
Account payable	-	(325)
	<hr/>	<hr/>
	1 595 795	1 592 174
	<hr/> <hr/>	<hr/> <hr/>

ST MICHAEL'S RETIREMENT FUND

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The financial statements are prepared incorporating the following principal accounting policy.

Investments

Investments are held at book value market value. Any write-downs or write-backs to carrying value are recognised in the income statement.

2. TAXATION

The Fund's income is not taxable in its hands due to it being a component of St Michaels Church.

3. CASH FLOW STATEMENT

No cash flow statement has been prepared as, in the opinion of the trustees, the cash flow information is readily apparent from the annual financial statements presented on pages 2 and 3

4. DISTRIBUTION EVENT

In terms of a Deed of Transfer dated 28 February 2012 between the trustees and the Parish Council of St Michael's Church, the Trust Capital was distributed by the Trust to the Parish Council on 29 February 2012.